

## **SECTION 7 PRE-RETIREMENT PLANNING**

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## RETIREMENT DATE

The effective date of retirement will normally be the first of the month following a TRS member's date of termination. A TRS member terminating employment before attaining 25 years of service or age 60 may delay receipt of benefits until their 50th birthday (early retirement), or until their 60th birthday (normal retirement), or they may elect any date between the age of 50 and 60.

Eligibility for retirement is dependent on a TRS member terminating **all** employment with their TRS employer(s) and that all payments due upon termination of employment have been paid to them.

## RETIREMENT BENEFITS

A TRS member who is vested and has terminated their TRS covered employment in Montana, may be eligible to apply for retirement benefits. The TRS 'Summary of Information' handbook outlines the retirement application procedure. A 'Request for an Estimate of Benefits' form is available on the TRS web site at <http://www.trs.mt.gov>. The TRS member will contact the employer to verify the estimated termination pay amount. The 'Request for an Estimate of Benefits' form must be properly completed by the member and mailed to the TRS office several months prior to their termination date. Upon receipt of the properly completed form the TRS will provide an 'Estimate of Benefits' to assist the member with pre-retirement planning. The following is an example of a properly completed 'Request for an Estimate of Retirement Benefits' form.



# MONTANA TEACHERS' RETIREMENT SYSTEM

1500 E 6TH AVE  
PO BOX 200139  
HELENA MT 59620-0139  
(406) 444-3134

**TRS Office Use Only**

## REQUEST FOR AN ESTIMATE OF BENEFITS

(PLEASE TYPE OR PRINT LEGIBLY IN DARK INK.)

*Estimates are provided as a service to our members. Please remember this is only an estimate. Your estimated benefit amount will be calculated under all of the options available, as well as the three options available with regard to the use of termination pay.*

**Personal Data :**

Joan P Doe

(Name)

01-01-48

(Date of Birth)

1	1	1	1	1	1	1	1	1	1
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(Social Security Number)

1111 S Freedom Way

(Home Mailing Address)

Helena MT 59601

(City, State & Zip Code)

(406) 111-2222

(Area Code & Telephone Number)

Female

(Sex M/F)

Smith

(Maiden Name)

YOUR PRIMARY BENEFICIARY'S NAME: John T Doe

YOUR PRIMARY BENEFICIARY'S DATE OF BIRTH: 06-15-44

FINAL YEAR CONTRACT AMOUNT: \$ 56,000.00

OTHER COMPENSATION:\* \$ 500.00

TERMINATION PAY AMOUNT:\*\* \$ 10,000.00

TERMINATION DATE: 06-01-05

RETIREMENT EFFECTIVE DATE:\*\*\* 07-01-05

\* - Other Compensation may include, but is not limited to, summer school, driver's education, coaching, etc.

\*\* - Termination Pay includes any form of lump-sum payment for deferred compensation, sick leave, vacation, or any other payment for time not worked other than compensation received while on sick leave or authorized leave of absence. It can also include earnings which may exceed the ten percent statutory cap.

\*\*\* - Your retirement effective date can be no sooner than the first day of the month following your termination date or last working day.

If your retirement date is not in the current fiscal year, please provide projections of what your three highest consecutive years' salaries will be at the time of retirement:

\$	\$	\$
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*Joan P Doe*

*11-10-04*

(Signature)

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(Date)

Montana Teachers' Retirement System  
Employers' Manual

Section 7  
Revised 10/2004

## DISABILITY RETIREMENT BENEFITS

If a TRS member is experiencing health conditions that make it difficult to perform the primary duties of their position covered under the TRS, they may be eligible for a disability benefit. The TRS member must contact the TRS office to request an estimate of disability benefits available and obtain important information concerning disability retirement eligibility.

## DEATH OF AN ACTIVE MEMBER

If a TRS member dies before retirement, the TRS **must** be notified of the date of the TRS member's death by the member's beneficiary or by the TRS employer. The TRS will contact the respective employer and request verification of the TRS member's current fiscal year salary information be provided on a 'Deceased Active Member Check List' form. Upon receipt of the salary information provided by the employer, the TRS will provide benefit information to the member's beneficiary(s).

For the TRS reporting purposes, a TRS member may only have wages reported to the TRS that were earned through their date of death. Any balance of a contract to be paid by the TRS employer to the member or their beneficiary will be considered termination pay and as such, will be subject to the same statutory requirements. (Ref: §19-20-101 and §19-20-716, MCA) If the member signed a 'Termination Pay – Irrevocable Election Form' and the surviving beneficiary(ies) elects a monthly survivor benefit, the 'Termination Pay – Irrevocable Election Form' will remain in effect for the surviving beneficiary(ies).

Additionally, if the TRS member was purchasing service under a 'Service Purchase – Irrevocable Election Form', the reduction through the date of death will be the final payment the TRS will accept via payroll deduction. The beneficiary(ies) will have the option to purchase any remaining service in a lump sum by personal payment.

The following is an example of a properly completed 'Deceased Active Member Check List' form.

## DECEASED ACTIVE MEMBER CHECK LIST

Member's Name: James Smith SSN: 123-45-6789  
Date of Death: January 31, 2002 Age: 56  
Notified of Death By: School District No. 5  
Additional Information Received By: District Clerk - Telephone# 442-1730

### SURVIVOR INFORMATION

Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State & Zip Code: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_ Relationship: \_\_\_\_\_

### SURVIVOR BENEFIT INFORMATION

Effective Date \_\_\_\_\_  
Monthly Benefit \_\_\_\_\_  
W/H Certificate \_\_\_\_\_  
Death Certificate \_\_\_\_\_  
Ins. Deduction \_\_\_\_\_  
EFT Form \_\_\_\_\_

### CHECK LIST

Status Changed \_\_\_\_\_  
Label Changed \_\_\_\_\_  
Birth Certificate \_\_\_\_\_  
Survivor Added \_\_\_\_\_

### MINOR CHILD INFORMATION

Name: \_\_\_\_\_ SSN: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State & Zip Code: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_

### MINOR CHILD BENEFIT INFORMATION

Effective Date \_\_\_\_\_  
Monthly Benefit \_\_\_\_\_  
Stop Date \_\_\_\_\_  
EFT Form \_\_\_\_\_

### CHECK LIST

Status Changed \_\_\_\_\_  
Birth Certificate \_\_\_\_\_  
Minor Child Added \_\_\_\_\_

### EMPLOYER INFORMATION

Please complete and fax this form to the TRS at your earliest convenience. The TRS will provide benefit information to the member's beneficiary(ies). Thank you.

TRS Employer No.: 150051  
Contract Salary for FY: \$40,000  
Total Salary Paid FY: \$21,390  
Termination Pay Amount: \$5,000  
TPIEF signed by member? Yes No

TRS Phone # (406) 444-3134

Payroll Officer/Phone #: Jane Hanson - 442-1730  
Number of Days in contract: 187  
Daily rate of pay: \$213.90  
Last Day on Paid Status: January 31, 2002  
Number of days paid in current FY: 100

TRS FAX# (406) 444-2641